

BOARD OF DIRECTORS
Matt Disston, President
Mike Safranski, Vice President
Glenn Acosta, Director
Jim Haselton, Director
Ed Mandich, Director

GENERAL MANAGER
Don Chadd



On Tap

Volume 15 Issue 7

July 2009

Water System Emergency Supply and Reliability Projects

Lately, there has been a great deal of discussion and reports in the news about California's current water supply. In south Orange County, the significance of water supply and storage is particularly sensitive because well in excess of 95% of the water used locally is imported, either from northern California through the State Water Project or from the Colorado River Aqueduct.

Locally, water districts in south Orange County have worked cooperatively to identify and begin projects that will either improve water supply or improve water storage. TCWD anticipates participating in three major projects; the following is the first of three projects that will be featured in ON TAP Issues:

The Well Facility Upgrade Project

The District owns two wells--the Rose Canyon and Lang Wells. These are seasonal wells and produce water only during years with near average rainfall. Perhaps you have seen these wells; they are the cinder block buildings along Rose Canyon Road located north of O'Neill Regional Park.

The water produced from these wells tastes delicious, and exceeds all state and federal drinking water quality standards. However, federal regulations changed in the late 1990s that caused the wells to be considered to be under the direct influence of surface water. The existing facilities must therefore comply with the various Surface Water Treatment Rules. The California Depart-

ment of Public Health has granted the District until July of 2010 to upgrade the facilities to meet these new regulations.

The wells are highly desirable in terms of local water quality, cost, and utilization of local resources. The proposed project will upgrade the existing treatment system and will far exceed the treatment requirements. The sustainable use of these wells allows TCWD, and the entire Southern California region, to be less dependent on imported water supplies.

Rose Canyon and Lang Wells production currently represents 4 to 10 percent of the total TCWD water supply, depending on annual rainfall. The well's contribution to total demand is expected to be a minimum of 250 acre feet per year and up to the historical average of 400 acre feet per year.

Water purchased through the State Water Project or delivered by the Colorado River Aqueduct at this elevation has a wholesale price of approximately \$715 per acre foot. The proposed cost of the well water is expected to range from \$125 to \$250 per acre foot. The project total cost, including engineering, legal, administrative, construction management, and contingency costs is estimated to be \$4,100,000.

The picture below is an artist's concept of the Well Improvement Project upon completion.

TCWD'S ON TAP



California Budget Crisis May Hit TCWD

As of this writing, the State is still without a budget and resolution still does not seem to be in sight. One of the options for the State is to divert ad valorem property taxes that go to counties, cities, and special districts (as in TCWD). The amount of the property tax diversion is regulated by the passage of Proposition 1A, which only allows 8% of the tax revenue from each agency to be diverted to the State. However, recent communication from the Legislative Analyst's Office to the Governor's Office has suggested that much more than 8% (as in 100%) of the property tax could be diverted from enterprise districts – districts that can charge rates and fees for services or products (again TCWD, a water district). The amount of revenue loss from TCWD's 2009-2010 budget could vary from \$96,000 to \$1,200,000.

This should be of concern to every customer of TCWD, because the loss of revenue by diversion of funds to the State would ultimately impact each customer. While the State is supposed to pay the funds back within a 3 year period (with interest), the loss of revenue in the interim is a concern to the District.

The Regular Board Meeting is held on the third Wednesday of each month at 7:00 p.m. at the District's office located at 32003 Dove Canyon Drive, Trabuco Canyon. The public is encouraged to attend.

Board Highlights

- **June 10, 2009** – Special Budget Workshop to review the FY 2009/10 General Fund Budget and information relating to the Water Reliability & Emergency Storage Fee and potential Ad Valorem Property Tax Diversion
- **June 17, 2009** – Adopted the FY 2009/10 General Fund Budget and Capital Improvement Programs
- Adopted Resolutions approving the FY 2009/10 special tax levies
- Adopted the FY 2009/10 Appropriations Limit
- Directed staff to move forward with the procedures to set the FY 2009/10 water standby assessments
- Received a Status Update Relating to California Drought and Water Conservation Efforts
- Received Status Updates Relating to the Baker Regional Water Treatment Plant and Rose Canyon and Lang Wells Upgrades to Treatment Facilities Projects
- Conducted Closed Sessions

ON TAP is published and distributed by TCWD.

We welcome your comments, suggestions and questions. Please call or write Sharon E. Smith, Editor

TCWD's *ON-TAP*
Trabuco Canyon Water District
32003 Dove Canyon Drive
Trabuco Canyon, CA 92679
(949) 858-0277 (Telephone 858-3025
(Facsimile)
www.tcwd.ca.gov